Producer Responsibility Overview

for

Nov 14, 2007 Stakeholder Consultation

Presentation Covers

I. Introduction to Extended Producer Responsibility (EPR)

Shifts end-of-life (EOL) responsibility for products

Local gov and ratepayers ➡ producers (and consumers)

Provides more equitable distribution of costs --

to those who benefit from product

Why Extended Producer Responsibility?

Achieve environmental benefits

- **Product design improvements**
- **Highest and best use of product/material**
- **Reduce solid waste, GHG, toxic components, energy & water consumption, air emissions**

Potential Benefits to Producers

1. **Reduced risk – better control of product**

2. **Large role in determining solutions**

3. **Less piecemeal legislation – more consistency in process**

4. **CA manufacturers positioned to better compete in global markets**

5. **Level playing field, includes imported products**

Definitions

1. **Extended Producer Responsibility**

2. **Producer**

3. **Cradle-to-Cradle Impacts**

4. **Product Stewardship Program**

5. **Stewardship Organization**

1. Extended Producer Responsibility (EPR)

The extension of the responsibility of producers, and all entities involved in the product chain, to reduce the cradle-to-cradle impacts of a product and its packaging.

The greatest responsibility lies with the producer, or brand owner, who makes design and marketing decisions.

2. Producer

1. For products sold or distributed in CA

2. Producer is:

   i. person who manufacturers a product and sells it under the manufacturer's own brand

   ii. owner or licensee of a trade mark

   iii. person who imports a product

3. Cradle-to-Cradle Impacts

Include energy, water, and materials use; greenhouse gas and other air emissions; toxic and hazardous substances; materials recovery and waste disposal; and worker safety.

4. Product Stewardship Program

A program that encompasses product design for source reduction and reuse, as well as the collection, transportation, recycling, and disposal of unwanted products, including legacy products and the program's fair share of orphan products, which is financed as well as managed or provided by the producers of those products.

5. Stewardship Organization

A corporation appointed by a producer to act as an agent on behalf of the producer to administer a product stewardship program.

II. Background (continued)

Who has Product Stewardship Programs?

- **European Union**
- **Canadian provinces**
- **Japan**
- **China**
- **S. Korea**
- **Australia**
- **New Zealand**
- **Brazil**

II. **Background** (continued)

Common features

- **Broad legislation**

- **Goals, guiding principles, general roles and responsibilities**

- **Flexible authority to customize for specific product/product categories**

II. Background (continued)

Manufacturers/retailers Product Stewardship Programs/Activities

- **23 computers manufacturers achieving IEEE1680 certification (EPEAT)**
  - **product design, toxics reduction,**
  - **offer take back**
- **Sony, GE, Coca-Cola, Nike, Interface, etc.**

II. Background (continued)

Statutory authority (current)

- **Board may implement voluntary programs without enforcement oversight**

No requirements ➡ uneven playing field

Need new statutory authority

II. Background (continued)

Legislative approach is currently piecemeal and inconsistent

- **Wide array of approaches by product or substance**
- **Inconsistent implementation**
- **High administrative burden**

Staff looked at broader Framework

IV. Framework Overview

Framework approach offers alternative

- **Legislative authority needed to establish Framework**

- **CIWMB would develop regulations**

- **Add new products without new legislation**

- **Producer-defined programs**

- **Customize for product categories**

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IV. Framework Overview

Key Elements of an EPR Framework Approach (see Attachment 1)

1. **Policy Goals**

2. **Guiding Principles**

3. **Definitions**

4. **Roles and Responsibilities**

5. **Governance**

6. **Products/Product Categories**

7. **Program Effectiveness & Measurement**

Key Elements of an EPR Framework Approach

1. **Policy Goals**

   - **Achieve measurable net environmental benefits**

   - **Advance green product design**

   - **Address all materials in waste stream ((toxicity, volume, life cycle)**

   - **Maximize economic efficiency & market innovation**

   - **Transfer waste-related costs to producers & users of products**

Key Elements of an EPR Framework Approach (continued)

2. **Guiding Principles**

- **Producer Responsibility**

- **Environmental Protection Strategies**

- **System Coverage**

- **Results-Based Programs**

Key Elements of an EPR Framework Approach (continued)

3. **Definition of Key Terms**

- **EPR**
- **Producer**
- **Cradle-to-Cradle Impacts**
- **Product Stewardship Program**
- **Stewardship Organization**

Key Elements of an EPR Framework Approach (continued)

4. Roles and Responsibilities

A. Producers

B. Retailers

C. Consumers

D. CA State Government

E. Local Government

F. Haulers

G. Recyclers

H. Advisory Committee

Key Elements of an EPR Framework Approach (continued)

A. Producers

- **Key role: design the product stewardship program**

- **Flexibility to design program in the most efficient manner**

Key Elements of an EPR Framework Approach (continued)

B. Retailers

- **Provide information from producers to customers**

- **Only sell registered products**

- **Voluntary involvement in EOL collection**

Key Elements of an EPR Framework Approach (continued)

C. Consumers

- **Participate in collection systems**

- **Information, convenience, and incentives may contribute to success**

- **Pay for EOL management**

Key Elements of an EPR Framework Approach (continued)

D. **California State Government (general)**

- **Establish statutory requirements and regulations**

- **Implement EPR to achieve goals, using guiding principles**

- **Seek reimbursement for oversight and enforcement activities**

Key Elements of an EPR Framework Approach (continued)

E. Local Government

- **May choose to participate**
- **Obtain compensation from producers**

Key Elements of an EPR Framework Approach (continued)

F. **Haulers and Collectors, and**

G. **Recyclers**

- **Contract with producers, in addition to contracts with local governments**

- **Provide information to help producers enhance recovery.**

Key Elements of an EPR Framework Approach (continued)

H. Advisory Committees or problem-solving groups

- Participate in regulation development process

- Advise State government
  - performance standards (product, facility operations)
  - finance EOL management

Key Elements of an EPR Framework Approach (continued)

5. **Governance - CIWMB**

   CIWMB would have authority to develop and implement an overall EPR program

5. Governance (continued)

Scope of Authority:

1. Regulations
2. Selecting & adding products/product categories
3. Targets, measurement, reporting
4. New, historic & orphan wastes
5. Independent & collective producer programs

6. Product stewardship plan
7. Enforcement
8. Transparency & accountability
9. Performance standards
10. Encourage product design improvements

Product Selection

Systematic Process

(occurs after regulations developed)

- **Determine list of products to be considered**

- **Determine evaluation criteria**

- **Conduct screening process**

Rationale for Framework approach

- **Provides method for implementing Product Stewardship Programs**

- **Would establish CIWMB authority**

- **Allows flexibility to add products and producers to customize programs**

- **Allows innovation and competition**

- **Complements efforts internationally**

- **Streamlines government**

CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
INTEGRATED WASTE MANAGEMENT BOARD

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